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ARIZONA WATER COMPANY
Robert W. Geake (No. 009695)
Vice President and General Counsel
3805 Black Canyon Highway
Phoenix, AZ 85015-5351
Telephone: (602) 240-6860

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AZ CORP COMMISSION
DOCUMENT CONTROL

FENNEMORE CRAIG
A Professional Corporation
Norman D. James (No. 006901)
Jay L. Shapiro (No. 014650)
3003 North Central Avenue
Suite 2600
Phoenix, AZ 85012-2913
Telephone: (602) 916-5000

Arizona Corporation Commission

DOCKETED

APR 12 2004

DOCKETED BY

Attorneys for Arizona Water Company

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION)
OF ARIZONA WATER COMPANY, AN)
ARIZONA CORPORATION, FOR)
ADJUSTMENTS TO ITS RATES AND)
CHARGES FOR UTILITY SERVICE)
FURNISHED BY ITS EASTERN GROUP)
AND FOR CERTAIN RELATED)
APPROVALS)

DOCKET NO. W-01445A-02-0619

**CERTIFICATE OF FILING
OF REVISED TARIFF**

On March 31, 2004, as directed by Decision No. 66849 of the Arizona Corporation Commission in the above-captioned matter, Arizona Water Company (the "Company") filed with the Commission, among other things, an amended Tariff No. NP-260 (renumbered as Tariff No. NP-274, as detailed in the Company's Certificate of Filing), in the form prescribed by Staff and approved in said Decision.

The Company received comments from Staff on Tariff No. NP-274, and, as a result, has again revised Tariff No. NP-274 as follows:

1. Section 3.B is revised to provide for a cap on the customer's liability for repair of a meter to the current replacement costs of the meter.
2. Section 3.C is revised to cap the fixed administrative fee at fifty dollars (\$50) per month.

1 IT IS HEREBY CERTIFIED THAT on the day of 12th April, 2004, Arizona Water
2 Company filed with the Arizona Corporation Commission, Docket Control Division, at its main
3 office located at 1200 West Washington Street, Phoenix, Arizona, an original and thirteen (13)
4 copies of its revised schedules of water rates and charges; Tariff No. NP-274 (formerly Tariff
5 No. NP-260) for the Apache Junction system, amended as noted above.

6 RESPECTFULLY SUBMITTED this 12th day of April, 2004.

7
8 **ARIZONA WATER COMPANY**

9 By: Robert W. Geake
10 Robert W. Geake
11 Vice President and General Counsel
12 Arizona Water Company
13 P. O. Box 29006
Phoenix, AZ 85038
Attorney for Applicant

14 AN ORIGINAL and thirteen (13) copies of the
foregoing filed this 12th day of April, 2004 with:

15 Docket Control
16 Arizona Corporation Commission
17 1200 W. Washington
Phoenix, AZ 85007

18 And copies of the foregoing,
19 mailed/delivered this 12th day of April, 2004, to:

20 Norman D. James
21 Jay L. Shapiro
22 FENNEMORE CRAIG
3003 N. Central Avenue, Suite 2600
23 Phoenix, AZ 85012
Attorneys for Arizona Water Company

24 Dwight Nodes
25 Administrative Law Judge
Hearing Division
26 Arizona Corporation Commission
1200 W. Washington
27 Phoenix, AZ 85007

1 Christopher Kempley, Chief Counsel
2 Timothy J. Sabo, Staff Attorney
3 Legal Division
4 Arizona Corporation Commission
5 1200 W. Washington
6 Phoenix, AZ 85007

7 Ernest G. Johnson, Director
8 Utilities Division
9 Arizona Corporation Commission
10 1200 W. Washington
11 Phoenix, AZ 85007

12 Daniel Pozefsky, Staff Counsel
13 RUCO
14 1110 W. Washington, Ste. 220
15 Phoenix, AZ 85007

16 Kay Bigelow, City Attorney
17 Casa Grande City Attorney's Office
18 510 East Florence Blvd.
19 Casa Grande, AZ 85222

20 Robert Skiba
21 P. O. Box 1057
22 Oracle, AZ 85623

23 Thomas H. Campbell
24 Michael T. Hallam
25 Lewis and Roca, LLP
26 40 N. Central Avenue
27 Phoenix, AZ 85004
28 Attorneys for Superstition Mountain, LLC

Philip A. Edlund, Vice President
Superstition Mountain, LLC
8777 N. Gainey Center Drive, Ste. 205
Scottsdale, AZ 85258

By: Robert W. Deake

WATER RATES

ARIZONA WATER COMPANY

Phoenix, Arizona

Filed by: William M. Garfield

Title: President

Date of Original Filing: March 7, 1994

System: **APACHE JUNCTION**

A.C.C. No. 463

Cancelling A.C.C. No. (not applicable)

Tariff or Schedule No. NP-274

Filed: April 12, 2004

Effective: March 10, 2004

NON-POTABLE CENTRAL ARIZONA PROJECT WATER

AVAILABILITY:

In the Company's Apache Junction water system, where and when Central Arizona Project ("CAP") water is available.

SUITABILITY:

It is the customer's responsibility to determine the initial and continuing suitability of the non-potable CAP water furnished under this tariff for any intended uses. The Company does not treat, test or monitor non-potable CAP water and furnishes it to customers strictly on an "as received" basis from the Central Arizona Water Conservation District ("CAWCD"). The customer agrees to accept non-potable CAP water "as received." Compliance with any requirement of the Arizona Department of Environmental Quality, or any other agency having jurisdiction, concerning the use or quality of non-potable CAP water shall be the sole responsibility of the customer. The Company will not be liable for, and the customer will hold harmless, indemnify and defend the Company against, any injuries or damages arising from its service of non-potable CAP water.

FACILITIES AND DEMAND:

When applying for non-potable CAP water service, the customer shall specify the maximum annual quantity of CAP water in acre feet (AF) that it intends to use under this tariff schedule and pursuant to a Non-Potable Water Facilities Contribution Agreement. This quantity of water will be used to determine the facilities required to serve the customer and will be the customer's maximum demand for non-potable CAP water ("CAP Demand") during any calendar year. The customer will be responsible for both the deferred (including holding costs) and the current annual CAWCD M&I Water Service Capital Charges on the CAP Demand and on any water use in excess of the CAP Demand.

The customer will contribute the funds required to install all facilities needed to provide CAP water. Such facilities will be owned by the Company.

The Deferred CAP Demand Charge includes the deferred annual CAWCD M&I Water Service Capital Charges and associated holding costs for the customer's CAP Demand. The Deferred CAP Demand Charge is payable prior to the start of service or within fifteen (15) days of any approved increase in CAP Demand. The Deferred CAP Demand Charge will be payable only on any future increase in CAP Demand for those customers receiving service under this tariff as of the effective date. The Deferred CAP Demand Charge is not refundable if the customer's CAP Demand is later reduced.

MONTHLY BILL:

The monthly billing will consist of the following components:

1. A monthly CAP Demand charge equal to 1/12th of the customer's CAP Demand in AF times the applicable CAWCD M&I Water Service Capital Charge per AF. Should the customer's actual water use exceed the customer's CAP Demand, the customer will be billed an additional demand charge, based on the applicable CAWCD M&I Water Service Capital Charge, on the excess water use.

Effective 3/10/04
Effective 3/15/99
Revised 1/18/95
Revised 1/15/99

2. A commodity charge designed to pass on all costs of non-potable CAP water, except the monthly CAP Demand charge, as billed to the Company during the previous month by the CAWCD or any other authorized governmental agency.

3. A power and maintenance charge based on the specific requirements of each customer.

A. The power component will be the direct and separately metered cost of the power billed to the Company during the previous month for CAP water delivered to the customer. If multiple customers are being served by common facilities, the power component will be prorated based on CAP water actually used during the month by each customer.

B. The maintenance component will be the actual costs of maintaining, repairing, and replacing the facilities required to serve the customer, plus a ten percent (10%) charge to provide for overhead and margin; provided however, that the customer shall not be liable for maintenance, repair, or replacement charges, when the damage or injuries to the CAP facilities are a result in the failure of the Company to operate the facilities or install protective devices in accordance with customary or sound construction and engineering practices. If multiple customers are being served by common facilities, the maintenance component will be prorated based on each customer's CAP Demand.

The customer shall be responsible for the repair or replacement of the meter. However, the repair charges, during a single maintenance event, shall not exceed the current replacement cost of the item under repair.

C. A fixed administrative cost of fifty dollars (\$50) per month.

Late Charge: Any payment not received within fifteen (15) days from the postmark date of the bill will be delinquent and subject to a late charge of one and one-half percent (1 1/2%) per month.

Adjustment: An adjustment for state and local taxes, which will be the applicable proportionate part of any taxes or governmental impositions which are, or in the future may be, assessed on the basis of the gross revenues of the Company and/or the price or revenue from the water or service sold and/or the volume of water pumped or purchased for sale and/or sold hereunder. In the event of any increase or decrease in taxes or other governmental impositions, rates shall be adjusted to reflect such tax increase or decrease.

TERMS AND CONDITIONS:

Subject to the Company's Tariff Schedule TC-243.

Effective 3/10/04
Effective 3/15/99
Revised 1/18/95
Revised 1/15/99